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IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF MARYLAND
BALTIMORE DIVISION

BY AT BALTIMORE
CLERK U.S. DISTRICT COURT
DISTRICT OF MARYLAND DEPUTY

CONSUMER FINANCIAL
PROTECTION BUREAU
1700 G Street NW
Washington, D.C. 20552

STATE OF MARYLAND, Office of
the Attorney General of Maryland,
Consumer Protection Division
200 St. Paul Place, 16th Floor
Baltimore, MD 21202
Baltimore County

Case No. 1:15-cv-00179-RDB

Plaintiffs,

v.

WELLS FARGO BANK, N.A.
464 California Street
San Francisco, CA 94104

JPMORGAN CHASE BANK, N.A.
270 Park Avenue
New York City, NY 10017

ELAINE OLIPHANT COHEN
2100 Heritage Drive
Baltimore, MD 21209
Baltimore County

TODD COHEN
2100 Heritage Drive
Baltimore, MD 21209
Baltimore County

Defendants.

STIPULATED FINAL JUDGMENT AND ORDER WITH RESPECT TO WELLS
FARGO BANK, N.A.

The Consumer Financial Protection Bureau (“Bureau”) and the State of Maryland’s Office of the Attorney General’s Consumer Protection Division (“CPD”) commenced this civil action against Defendant Wells Fargo Bank, N.A. (“Wells Fargo”), on January 22, 2015, to obtain damages or other monetary relief, civil penalties, and other relief. The Complaint alleges that from 2009 through 2013, Genuine Title, LLC (“Genuine Title”) provided Wells Fargo’s loan officers marketing services that assisted the loan officers in generating business and increasing the number of loans that Wells Fargo originated or refinanced. The Complaint alleges that under agreements or understandings between Genuine Title and the loan officers, the loan officers in return referred settlement-service business to Genuine Title.

The Complaint alleges violations of: (1) Section 8(a) of the Real Estate Settlement Procedures Act, 12 U.S.C. § 2607(a) (“RESPA”); (2) Section 1036(a)(1)(A) of the Consumer Financial Protection Act of 2010 (“CFPA”), 12 U.S.C. § 5536(a)(1)(A); and (3) the Maryland Consumer Protection Act, Md. Code Ann., Com. Law §§ 13-101 through 13-501 (2013 Repl. Vol.) (“CPA”).

Plaintiffs and Wells Fargo, by and through respective counsel, have requested that the Court enter this Stipulated Final Judgment and Order (“Order”).

FINDINGS

1. This Court has jurisdiction over the parties and the subject matter of this action.
2. Plaintiffs and Wells Fargo agree to entry of this Order, without adjudication of any issue of fact or law, to settle and resolve all matters in this dispute arising from the conduct alleged in the Complaint to the date this Order is entered.
3. Wells Fargo neither admits nor denies any allegations in the Complaint, except as specifically stated in this Order. For purposes of this Order, Wells Fargo admits the facts necessary to establish the Court’s jurisdiction over Wells Fargo and the subject matter of this action.

4. Wells Fargo waives service under Rule 4(d) of the Federal Rules of Civil Procedure and waives all rights to seek judicial review or otherwise challenge or contest the validity of this Order. Wells Fargo also waives any claim it may have under the Equal Access to Justice Act, 28 U.S.C. § 2412, concerning the prosecution of this action to the date of this Order. Each party will bear its own costs and expenses, including without limitation attorneys' fees.
5. This Order is made without trial or adjudication of any issue of fact or law and does not contain any injunctive measures against Wells Fargo or any of its subsidiaries or affiliates.
6. Entry of this Order is in the public interest.

DEFINITIONS

7. The following definitions apply to this Order:
 - a. **"Affected Consumers"** means all consumers who closed loans during the Relevant Period with Wells Fargo's Specified Loan Officers for which Genuine Title provided settlement services.
 - b. **"Wells Fargo"** means Wells Fargo Bank, N.A. and its successors and assigns.
 - c. **"Effective Date"** means the date on which this Order is issued.
 - d. **"Enforcement Director"** means the Assistant Director of the Office of Enforcement for the Consumer Financial Protection Bureau, or his/her delegee.
 - e. **"Related Consumer Action"** means a private action by or on behalf of one or more consumers or an enforcement action by another governmental agency brought against Wells Fargo based on substantially the same facts as described in this Order or the Complaint.
 - f. **"Relevant Period"** means from September 15, 2011 until Wells Fargo ceased doing business with Genuine Title.
 - g. **"Specified Loan Officers"** means the loan officers employed by Wells Fargo during the Relevant Period that received marketing services paid for by Genuine Title.

ORDER

IT IS ORDERED that:

I. Compliance Plan

8. Within 90 days of the Effective Date, Wells Fargo must submit to the Enforcement Director for review and determination of non-objection a comprehensive compliance plan (“Compliance Plan”) designed to ensure that Wells Fargo’s loan officers refrain from giving or accepting any fee, kickback, or thing of value and comply with the terms of this Order. The Compliance Plan must include, at a minimum:
 - a. detailed steps for addressing each action required by this Order; and
 - b. specific timeframes and deadlines for implementation of the steps for addressing each action required by this Order.
9. The Enforcement Director will have the discretion to make a determination of non-objection to the Compliance Plan or direct the Wells Fargo to revise it. If the Enforcement Director directs the Wells Fargo to revise the Compliance Plan, the Wells Fargo must make the revisions and resubmit the Compliance Plan to the Enforcement Director within 30 days.
10. After receiving notification that the Enforcement Director has made a determination of non-objection to the Compliance Plan, the Wells Fargo must implement and adhere to the steps, recommendations, deadlines, and timeframes outlined in the Compliance Plan.

II. Monetary Provisions

11. A judgment for monetary relief is entered in favor of the Bureau and the CPD against Wells Fargo in the amount of \$10,809,807.71.
12. Wells Fargo will administer the payment of redress to Affected Consumers with Bureau oversight.

13. The funds paid by Wells Fargo in satisfaction of this judgment will be deposited into a fund or funds administered by Wells Fargo or Wells Fargo's agent to be paid as redress to Affected Consumers. Affected Consumers will not be required to submit a claim form or take other similar action to receive the redress.
14. Any funds not used to provide monetary relief to Affected Consumers will be deposited in the U.S. Treasury as disgorgement. Wells Fargo will have no right to challenge any actions that the Bureau takes or any direction regarding administration of the monetary relief that the Bureau gives Wells Fargo or Wells Fargo's agent under this paragraph.
15. Payment of redress to any Affected Consumer under this Order shall not limit Affected Consumers' rights in any way, but this Order is not intended to preclude Wells Fargo from arguing that any such payment to an Affected Consumer should constitute an offset of any recovery such Affected Consumer may be entitled to.

III. Civil Money Penalties

16. Wells Fargo must pay a civil money penalty of \$21,000,000 to the Bureau.
17. Within 10 days of the Effective Date, Wells Fargo must pay the civil money penalty by wire transfer to the Bureau or to the Bureau's agent in compliance with the Bureau's wiring instructions.
18. The civil money penalty paid under this Order will be deposited in the Civil Penalty Fund of the Bureau as required by Section 1017(d) of the CFPA, 12 U.S.C. § 5497(d).
19. Wells Fargo must treat the civil money penalty paid under this Order as a penalty paid to the government for all purposes. Regardless of how the Bureau ultimately uses those funds, Wells Fargo may not:

- a. claim, assert, or apply for a tax deduction, tax credit, or any other tax benefit for any civil money penalty paid under this Order; or
 - b. seek or accept, directly or indirectly, reimbursement or indemnification from any source, including but not limited to payment made under any insurance policy, with regard to any civil money penalty paid under this Order.
20. To preserve the deterrent effect of the civil money penalty in any Related Consumer Action, Wells Fargo may not argue that Wells Fargo is entitled to, nor may Wells Fargo benefit by, any offset or reduction of any compensatory monetary remedies imposed in the Related Consumer Action because of the civil money penalty paid in this action (“Penalty Offset”). If the court in any Related Consumer Action grants such a Penalty Offset, Wells Fargo must, within 30 days after entry of a final order granting the Penalty Offset, notify the Bureau, and pay the amount of the Penalty Offset to the U.S. Treasury. Such a payment will not be considered an additional civil money penalty and will not change the amount of the civil money penalty imposed in this action.
21. Wells Fargo must pay a civil money penalty of \$3,000,000 to the CPD.
22. Within 10 days of the Effective Date, Wells Fargo must pay the civil money penalty by wire transfer to the CPD or to the CPD’s agent in compliance with the CPD’s wiring instructions.

IV. Additional Monetary Provisions

23. In the event of any default on Wells Fargo’s obligations to make payment under this Order, interest, computed under 28 U.S.C. § 1961, as amended, will accrue on any outstanding amounts not paid from the date of default to the date of payment, and will immediately become due and payable.
24. Wells Fargo must relinquish all dominion, control, and title to the funds paid to the fullest extent permitted by law and no part of the funds may be returned to Wells Fargo.

25. Under 31 U.S.C. § 7701, Wells Fargo, unless it already has done so, must furnish to the Bureau its taxpayer identifying numbers, which may be used for purposes of collecting and reporting on any delinquent amount arising out of this Order.
26. Within 30 days of the entry of a final judgment, consent order, or settlement in a Related Consumer Action, Wells Fargo must notify the Enforcement Director of the final judgment, consent order, or settlement in writing. That notification must indicate the amount of redress, if any, that Wells Fargo paid or is required to pay to consumers and describe the consumers or classes of consumers to whom that redress has been or will be paid.

V. Reporting Requirements

27. Wells Fargo must notify the Bureau of any development that may affect compliance obligations arising under this Order, including but not limited to a dissolution, assignment, sale, merger, or other action that would result in the emergence of a successor company; the creation or dissolution of a subsidiary, parent, or affiliate that engages in any acts or practices subject to this Order; the filing of any bankruptcy or insolvency proceeding by or against Wells Fargo; or a change in Wells Fargo's name or address. Wells Fargo must provide this notice at least 30 days before the development or as soon as practicable after the learning about the development, whichever is sooner.
28. Within 7 days of the Effective Date, Wells Fargo must designate at least one telephone number and email, physical, and postal address as points of contact, which the Bureau may use to communicate with Wells Fargo.

VI. Order Distribution and Acknowledgment

29. Within 30 days of the Effective Date, Wells Fargo must deliver a copy of this Order to each of Wells Fargo's board members and executive officers, as well as to all management personnel

within its retail sales mortgage origination business down to the level of Home Mortgage Consultant.

30. For 5 years from the Effective Date, Wells Fargo must deliver a copy of this Order to board members and executive officers, as well as to any future management personnel within its retail sales mortgage origination business down to the level of Home Mortgage Consultant.
31. Wells Fargo must secure a signed and dated statement acknowledging receipt of a copy of this Order, ensuring that any electronic signatures comply with the requirements of the E-Sign Act, 15 U.S.C. § 7001 *et seq.*, within 30 days of delivery, from all persons receiving a copy of this Order under this Section.

VII. Recordkeeping

32. Wells Fargo must create, for at least 5 years from the Effective Date, the following business records:
 - a. all documents and records necessary to demonstrate full compliance with each provision of this Order, including all submissions to the Bureau; and
 - b. for each individual Affected Consumer, copies of any record of the consumer's name; last known address; last known phone number; email address (if available); amount of settlement service charges paid to Genuine Title; and the Affected Consumer's loan file.
33. Wells Fargo must retain the documents identified in Paragraph 33 for at least 5 years. Wells Fargo must make the documents identified in Paragraph 33 available to the Bureau upon the Bureau's request.

VIII. Notices

34. Unless otherwise directed in writing by the Bureau, Wells Fargo must provide all submissions, requests, communications, or other documents relating to this Order in writing, with the subject

line, "*In re Genuine Title, LLC*, Case No. 2013-0607-02," and send them to:

Assistant Director for Enforcement
Consumer Financial Protection Bureau
ATTN: Office of Enforcement
1700 G Street, NW
Washington, DC 20552

Enforcement_Compliance@cfpb.gov

IX. Cooperation with the Bureau

35. Wells Fargo must preserve consumer records and cooperate fully to help the Bureau determine the identity and location of, and the amount of injury sustained by, each Affected Consumer. Wells Fargo must provide such information in their or their agents' possession or control within 14 days of receiving a written request from the Bureau.
36. Wells Fargo must cooperate fully with the Bureau in this matter and in any investigation related to or associated with the conduct described in the Complaint and Order. Wells Fargo must provide truthful and complete information, evidence, and testimony. Wells Fargo must appear and must cause its officers, employees, representatives, or agents to appear for interviews, discovery, hearings, trials, and any other proceedings that the Bureau may reasonably request upon 5 days written notice, or other reasonable notice, at such places and times as the Bureau may designate, without the service of compulsory process.

X. Compliance Monitoring

37. Within 14 days of receipt of a written request from the Bureau, Wells Fargo must submit additional compliance reports or other requested information, which must be made under penalty of perjury; provide sworn testimony; or produce documents.

38. Wells Fargo must permit Bureau representatives to interview any employee or other person affiliated with Wells Fargo who has agreed to such an interview. The person interviewed may have counsel present.
39. Nothing in this Order will limit the Bureau's lawful use of compulsory process, under 12 C.F.R. § 1080.6.

XI. Release

40. The Bureau and the CPD release and discharge from all potential liability for law violations that the Bureau has or might have asserted based on the practices alleged in the Complaint, to the extent such practices occurred before the Effective Date and the Bureau knows about them as of the Effective Date. Notwithstanding this release, the Bureau may use the practices alleged in the Complaint in future enforcement actions against Wells Fargo or its affiliates to establish a pattern or practice of violations or the continuation of a pattern or practice of violations or to calculate the amount of any penalty. This release does not preclude or affect any right of the Bureau to determine and ensure compliance with this Order, or to seek penalties for any violations of this Order.

XII. Modifications to Non-Material Requirements

41. Wells Fargo may seek a modification to non-material requirements of this Order (*e.g.*, reasonable extensions of time and changes to reporting requirements) by submitting a written request to the Enforcement Director.
42. The Enforcement Director may, in his discretion, modify any non-material requirements of this Order (*e.g.*, reasonable extensions of time and changes to reporting requirements) if he determines


good cause justifies the modification. Any such modification by the Enforcement Director must be in writing.

XIII. Retention of Jurisdiction

43. The Court will retain jurisdiction of this matter for purposes of construction, modification, and enforcement of this Order.

IT IS SO ORDERED.

DATED this ^{4th} ~~3rd~~ day of ^{FEBRUARY} ~~JANUARY~~, 2015.



Richard D. Bennett
United States District Judge